



**Office of the Attorney General
Robert E. Cooper, Jr.**

**Department of Commerce and Insurance
Commissioner Paula Flowers**

CONSUMER ALERT

Office of the Attorney General
P.O. Box 20207 Nashville, TN 37202-0207

Department of Commerce and Insurance
Division of Consumer Affairs
500 James Robertson Parkway Nashville, TN 37243

FOR IMMEDIATE RELEASE
Dec. 7, 2006
#06-44

CONTACT:
Sharon Curtis-Flair
(615) 741-5860

GIFT CARDS CAN BE DICEY, ATTORNEY GENERAL CAUTIONS

Gift cards may seem like the perfect alternative to shopping during the busy holiday season, but Tennessee Attorney General Bob Cooper urges consumers to pay close attention to the fine print when buying or using gift cards.

Some gift cards may expire or decrease in value if not used right away. However, state law requires that some gift cards cannot expire or decrease in value for two years. Make sure you know the restrictions on the card when you purchase or receive it.

“The recipients may not realize there is a time limit or deduction in the value until it is too late,” Attorney General Cooper said. “It’s important to determine what the terms of the card are up front or you may discover too late you have nothing more than a worthless piece of plastic.”

There are a number of potential problems holiday shoppers might incur with gift cards. Some businesses deduct a monthly fee from the gift card or apply inactivity fees if the card has not been used for some period of time, thus reducing their value. Some cards expire and are worthless at the end of a certain period of time.

Attorney General Cooper offers the following tips to ensure Tennesseans do not lose the value of their gift cards:

- *Ask before you buy if there are time restrictions on the use of the card.
- *Determine if there are any fees that apply to the gift card, including those that apply after the sale and reduce the value of the card.
- *Know ahead of time what to do in the event a card is lost or stolen.
- *Find out which locations will accept the gift card.
- *Determine where to report any problems with the gift card.
- *Ask if there is a toll-free number or web site that will provide this information.

Mary Clement, director of the Division of Consumer Affairs, stressed the importance of consumers knowing ahead of time terms of the gift cards. “Our office receives numerous complaints regarding gift cards during the holidays because of unanswered questions,” she explained. “The consumer is left feeling frustrated while trying to determine the policies that can vary from store to store.”

If these disclosures are not clearly stated on the gift card itself, or its packaging, or if you have a problem with a gift card or the companies that sell them, you may report complaints to the Tennessee Division of Consumer Affairs by calling (615) 741-4737 or toll-free 1-800-342-8385.